

Government. Except for the acquisition by the Department of Defense or any military department thereof, the Department of the Interior, the National Aeronautics and Space Administration, the Tennessee Valley Authority, and the Department of Housing and Urban Development, displaced owners or tenants of federally acquired property may be paid only the fair market value of the property acquired. Expenses, losses and damages incurred by owners or tenants as a direct result of moving themselves, their families and possessions are not compensable.

Reports issued by the Select Subcommittee on Real Property Acquisition of the House Committee on Public Works and the Advisory Commission on Intergovernmental Relations clearly indicate that the Federal, State, and local governments are falling far short of equity in their treatment of those persons who are displaced as a result of the programs of such governments. GSA has long advocated the enactment of legislation which would minimize inequities existing in the present state of law when property is acquired in Federal programs.

Generally, we believe that enactment of title VIII of S. 698 would establish a workable, uniform system for fair and equitable treatment of individuals displaced by Federal land acquisitions. However, in the interest of clarifying some of its provisions we offer the following comments and amendments for consideration by your Committee.

Section 803(a) provides for a relocation assistance program for individuals who occupy property adjacent to the acquired property and to those displaced from the acquired property. We recommend that the bill not provide assistance to occupants of adjacent property on the grounds of impracticability, the impossibility of factually ascribing claimed losses to the Federal acquisition, and the availability of aid in such situations from other Federal sources such as the Small Business Administration.

We are in accord with the objectives of section 803(c) (2) which would require Federal agencies to assure the availability of adequate substitute dwellings within a reasonable period of time prior to displacement. However, the effect of this provision on GSA's public buildings program is a matter of some concern. This program requires the acquisition of sites generally located in highly populated areas. The mandatory requirement that the acquiring agency be required to obtain assurance of substitute dwellings for the displaced prior to displacement would in many cases cause interminable delay in the construction of the project. Further, the delays encountered would not be controllable by GSA since the availability of adequate substitute housing is dependent upon local housing conditions. The question whether the Federal Government should assure adequate substitute housing prior to displacement must of course be resolved in the light of the over-all Federal program. However, your Committee should be aware of the effect of section 803(c) (2) on the activities of acquiring agencies whose programs are confined largely to urban areas.

We would suggest that the Committee give serious consideration to amending section 803(c) (2) by granting broader authority to Executive agencies to waive the requirements in unusual situations such as where immediate action might be required to protect individuals or property because of natural or unnatural disasters. The present waiver provision of the bill is applicable only during a period of national emergency proclaimed by the President. We recommend that the section be amended to provide that the President by regulation may prescribe situations when such assurances may be waived.

The suggested amendment will not greatly affect the operations of our site acquisition program although it will permit expeditious action when emergency situations warrant. However, the additional costs which will be incurred in other acquisitions as a result of the assurance provision of section 803(c) (2) will be substantial because of anticipated delays in commencement of construction and increases in other administrative expenses. Because of the many unknown factors, it is not possible to estimate the extent of the additional costs.

With respect to section 805(a) (2) (A), which limits entitlement to actual and reasonable expenses of searching for replacement locations to farm operations, we suggest that the Committee consider, in furtherance of the stated purpose of uniformity of treatment of all persons displaced by Federal acquisitions, whether entitlement to such expenses should also be extended to dwellings and businesses, taking into account also the administrative burden incident to determining the nature and reasonableness of such items of expenses which should be reimbursed.

We suggest that the Committee also consider whether the payment provided for in section 805(a) (2) (B), which section authorizes the payment of an ex-